

**BOARD OF COMMISSIONERS  
CENTRE COUNTY, PENNSYLVANIA**

**RESOLUTION #10 OF 2016**

**Adopted July <sup>12</sup>\_\_, 2016**

A RESOLUTION DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE RESIDENTS OF THE COUNTY OF CENTRE FOR THE CENTRE COUNTY GENERAL AUTHORITY TO UNDERTAKE A PROJECT INVOLVING THE ISSUANCE OF CENTRE COUNTY GENERAL AUTHORITY CHARTER SCHOOL REVENUE BONDS (DREAM SCHOOLS, INC. PROJECT), SERIES 2016; APPROVING THE PROJECT UNDER SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AND REPEALING ALL PRIOR INCONSISTENT ORDINANCES AND RESOLUTIONS.

WHEREAS, Dream Schools, Inc. (the "Borrower") is a nonprofit corporation duly created and validly existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") and a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Borrower owns, develops and leases facilities to several public charter schools, including an approximately 26,000 square foot public charter school facility located at 1530 Westerly Parkway, State College, Pennsylvania 16801 (the "Young Scholars School Campus") to the Young Scholars of Central PA Charter School (the "Young Scholars School"), which is a public charter school duly organized and validly existing under the Pennsylvania Charter School Law (24 P.S. §17-1701-A, *et seq.*); and

WHEREAS, Young Scholars School is a nonprofit corporation duly organized and validly existing under the laws of the Commonwealth and a tax-exempt organization under Section 501(c)(3) of the Code; and

WHEREAS, the Borrower has requested the Centre County General Authority (the "Authority") to approve a financing which will include, pursuant to the provisions of the Municipality Authorities Act, Act 22 of 2001, 53 Pa.C.S. §5601 *et seq.*, as amended (the "Authorities Act"), the issuance of the Authority's Charter School Revenue Bonds (Dream Schools, Inc. Project), Series 2016, in one or more series, in an aggregate principal amount not to exceed \$15,000,000 (collectively, the "Bonds"); and

WHEREAS, the Borrower has asked the Authority to finance, together with other available funds of the Borrower, the costs of a project (the "Project") consisting generally of:

- (a) refinancing certain commercial loans, in the aggregate original principal amount of approximately \$3,000,000, the proceeds of which were used by the Borrower, to finance or refinance the costs of acquiring, constructing, renovating, furnishing, and equipping facilities, including land, buildings, improvements and personal property at the Young Scholars School Campus;

- (b) paying, and reimbursing the Borrower for, costs of the construction, installation, renovation, improvement, furnishing and equipping, on the existing 9 acre site of the Young Scholars School Campus, to be developed in one or more phases and comprising the following: (i) an approximately 8,000 square foot, 2-story facilities building, consisting of 7 classrooms, 6 offices and restrooms; (ii) an approximately 30,000 square foot, 2-story facilities building, consisting of classrooms, a gymnasium, science laboratories, and multi-purpose rooms, offices and restrooms; and (iii) the purchase of certain equipment and furnishings, together with other personal property related and subordinate thereto;
- (c) funding a debt service reserve fund for the Bonds, if deemed necessary in connection with the sale of the Bonds;
- (d) paying capitalized interest on the Bonds, if deemed necessary in connection with the sale of the Bonds; and
- (e) paying allowable issuance costs of the Bonds; and

WHEREAS, the Authorities Act authorizes the financing of the Project for the Borrower and with respect to the Project, requires that "each municipality organizing an Authority . . . shall declare by resolution or ordinance that it is desirable for the health, safety and welfare of the people in the area served by such facilities to have such facilities . . . financed through (the) Authority." 53 P.S. §5607(B)(2)(IV); and

WHEREAS, pursuant to the Authorities Act, the Borrower and the Authority have requested the Board of Commissioners of the County of Centre, Pennsylvania (the "Board of Commissioners") to declare, by this resolution, that the Project is desirable for the health, safety and welfare of the people in the area served by the Borrower; and

WHEREAS, Section 147(f) of the Code requires that the applicable elected representatives of the governmental unit on behalf of which bonds are issued and of each governmental unit having jurisdiction over the area in which any facility is located, approve bonds after a public hearing in order for a private activity bond to be a qualified bond under the Code; and

WHEREAS, the Board of Commissioners constitutes the appropriate elected representatives for the purposes of giving Section 147(f) approvals; and

WHEREAS, on July 6, 2016, the Authority held a hearing in compliance with Section 147(f) pursuant to public notice; and

WHEREAS, pursuant to Section 147(f) of the Code, the Borrower and the Authority have requested the Board of Commissioners to approve the issuance of the Bonds for the purposes of Section 147(f) of the Code;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Centre, Pennsylvania as follows:

SECTION 1. It is hereby determined and declared pursuant to the Authorities Act that it is desirable for the health, safety and welfare of the people in the area served by the Borrower for the Authority to undertake the financing of the Project through the issuance of the Bonds in an aggregate principal amount not to exceed \$15,000,000.

SECTION 2. The issuance of the Bonds and the financing of the Project are hereby approved for purposes of Section 147(f) of the Code.

SECTION 3. The foregoing determination, declaration and approval are for the purposes of the applicable provisions of the Authorities Act and the Code and do not constitute approval for any permit, license or zoning required for the construction or occupancy of any facilities to be financed or refinanced as part of the Project.

SECTION 4. The adoption of this Resolution is not a pledge of any revenues or security by the County of Centre. Neither the credit nor the taxing power of the County of Centre, the Commonwealth of Pennsylvania, or any political subdivision, agency or instrumentality thereof is pledged for payment of the Bonds.

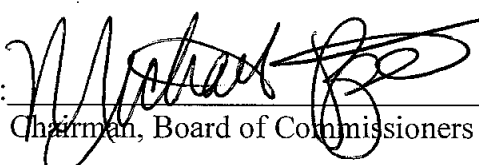
SECTION 5. All actions of this Board of Commissioners taken in conformity with the intents and purposes of this Resolution are ratified, confirmed and approved in all respects.

SECTION 6. This Resolution shall take effect immediately. All prior ordinances or resolutions or portions thereof inconsistent herewith are hereby repealed.


RESOLVED AND ADOPTED this 12 day of July, 2016 at a regular meeting of the Board of Commissioners of the County of Centre, Pennsylvania.

THE COUNTY OF CENTRE

By: \_\_\_\_\_

  
Chairman, Board of Commissioners

  
Vice Chairman, Board of Commissioners

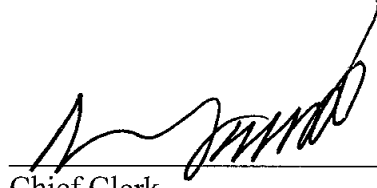
  
Member, Board of Commissioners

Attest:

By: \_\_\_\_\_

  
Chief Clerk

This is to certify that the foregoing Resolution is a true and correct copy of the Resolution adopted by the Board of Commissioners of the County of Centre, Pennsylvania at its meeting held the 12 day of July, 2016.

  
Chief Clerk